

LS 6-2178a  
OGC HAS REVIEWED.

3 January 1957

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT: Cash Shortage [ ] Account

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1. The Board of Review for Shortages and Losses recommended a write-off in the case of Mr. [ ] for funds not accounted for in the amount of \$568.18. My Office objected on the ground that since there was a shortage the responsible officer must be held liable unless it is demonstrated that he is without fault. This is a correct legal position I believe. In light of all the circumstances it is not clear to me whether or not Mr. [ ] is without fault. Certainly others, particularly his immediate superiors, shared and possibly were primarily responsible by virtue of the conditions they created which [ ] could not control. At this late date it would appear a practical impossibility to ascertain the true facts and so properly to affix responsibility.

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2. Under these circumstances it seems inequitable to hold Mr. [ ] solely responsible and if you agree with the conclusions of the Board, I would have no legal objection to your approval of the Board's recommendations. This is a good example, however, of the need for immediate action in investigating and affixing responsibility for shortages and losses.

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(S)  
LAWRENCE R. HOUSTON  
General Counsel

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